

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1001(ss) be amended to read as follows:

1 Page 134, between lines 14 and 15, begin a new paragraph and
2 insert:
3 "SECTION 87. IC 6-1.1-12-17.8, AS AMENDED BY P.L.87-2009,
4 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2010]: Sec. 17.8. (a) An individual who receives a
6 deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this
7 chapter in a particular year and who remains eligible for the deduction
8 in the following year is not required to file a statement to apply for the
9 deduction in the following year. However, for purposes of a deduction
10 under section 37 of this chapter, the county auditor may, in the county
11 auditor's discretion, terminate the deduction for assessment dates after
12 January 15, 2012, if the individual does not comply with the
13 requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county
14 auditor, before January 1, 2013. Before the county auditor terminates
15 the deduction because the taxpayer claiming the deduction did not
16 comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January
17 1, 2013, the county auditor shall mail notice of the proposed
18 termination of the deduction to:
19 (1) the last known address of each person liable for any property
20 taxes or special assessment, as shown on the tax duplicate or
21 special assessment records; or
22 (2) the last known address of the most recent owner shown in the
23 transfer book.
24 (b) An individual who receives a deduction provided under section
25 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who
26 becomes ineligible for the deduction in the following year shall notify
27 the auditor of the county in which the real property, mobile home, or
28 manufactured home for which the individual claims the deduction is
29 located of the individual's ineligibility in the year in which the
30 individual becomes ineligible. An individual who becomes ineligible
31 for a deduction under section 37 of this chapter shall notify the county

auditor of the county in which the property is located in conformity with section 37 of this chapter.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of the property in a divorce decree.

However, for purposes of a deduction under section 37 of this chapter, if the removal of the joint owner occurs before the date that a notice described in IC 6-1.1-22-8.1(b)(9) is sent, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records or the last known address of the most recent owner shown in the transfer book.

(e) A trust, **corporation, partnership (including a limited partnership), or limited liability company** entitled to a deduction under section 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for real property owned by the trust, **corporation, partnership (including a limited partnership), or limited liability company** and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

- (1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, 17.4, or 37 of this chapter in a particular year; and
- (2) the trust, **corporation, partnership (including a limited partnership), or limited liability company** remains eligible for the deduction in the following year.

However, for purposes of a deduction under section 37 of this chapter,

the individuals that qualify the trust, **corporation, partnership (including a limited partnership), or limited liability company** for a deduction must comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013.

(f) A cooperative housing corporation (as defined in 26 U.S.C. 216) that is entitled to a deduction under section 37 of this chapter in the immediately preceding calendar year for a homestead (as defined in section 37 of this chapter) is not required to file a statement to apply for the deduction for the current calendar year if the cooperative housing corporation remains eligible for the deduction for the current calendar year. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to:

- (1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or
- (2) the last known address of the most recent owner shown in the transfer book.

(g) An individual who:

- (1) was eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2007, or January 15, 2008, assessment date; or
- (2) would have been eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had not been repealed;

is not required to file a statement to apply for a deduction under section 37 of this chapter if the individual remains eligible for the deduction in the current year. An individual who filed for a homestead credit under IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if the property is real property), or after January 1, 2008 (if the property is personal property), shall be treated as an individual who has filed for a deduction under section 37 of this chapter. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall mail notice of the proposed termination of the deduction to the last known address of

each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book.

(h) If a county auditor terminates a deduction because the taxpayer claiming the deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall reinstate the deduction if the taxpayer provides proof that the taxpayer is eligible for the deduction and is not claiming the deduction for any other property.

SECTION 88. IC 6-1.1-12-17.9, AS AMENDED BY P.L.101-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2010]: Sec. 17.9. **(a)** A trust is entitled to a deduction under section 9, 11, 13, 14, 16, or 17.4 of this chapter for real property owned by the trust and occupied by an individual if the county auditor determines that the individual:

(1) upon verification in the body of the deed or otherwise, has either:

(A) a beneficial interest in the trust; or

(B) the right to occupy the real property rent free under the terms of a qualified personal residence trust created by the individual under United States Treasury Regulation 25.2702-5(c)(2);

(2) otherwise qualifies for the deduction; and

(3) would be considered the owner of the real property under IC 6-1.1-1-9(f) or IC 6-1.1-1-9(g).

(b) Property that is:

(1) owned by a corporation, partnership (including a limited partnership), or limited liability company; and

(2) occupied by an individual who is a shareholder, partner (including a limited partner), or member of the corporation, partnership (including a limited partnership), or limited liability company;

is entitled to a deduction under sections 9, 11, 13, 14, 16, and 17.4 of this chapter if the individual and the property otherwise qualify for the deduction."

Page 134, line 32, strike "or".

Page 134, line 34, delete "and" and insert: "or

(v) is owned by a corporation in which the individual is a shareholder, a partnership (including a limited liability partnership) in which the individual is a partner (including a limited partner), or a limited liability company in which the individual is a member; and"

- 1 Page 134, line 39, delete "The" and insert "**Except as provided in**
- 2 **clause (B)(v), the**".
- 3 Re-number all SECTIONS consecutively.
 (Reference is to EHB 1001(ss) as printed June 19, 2009.)

Senator STUTZMAN